

108TH CONGRESS
1ST SESSION

S. 767

To amend the Internal Revenue Code of 1986 to repeal the increase in the tax on social security benefits.

IN THE SENATE OF THE UNITED STATES

APRIL 2, 2003

Mr. SMITH (for himself, Mr. BAYH, Mr. CHAMBLISS, Mr. MILLER, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to repeal the increase in the tax on social security benefits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REPEAL OF INCREASE IN TAX ON SOCIAL SECU-**
4 **RITY BENEFITS.**

5 (a) REPEAL OF INCREASE IN TAX ON SOCIAL SECU-
6 RITY BENEFITS.—

7 (1) IN GENERAL.—Paragraph (2) of section
8 86(a) of the Internal Revenue Code of 1986 (relat-
9 ing to social security and tier 1 railroad retirement

1 benefits) is amended by adding at the end the fol-
2 lowing new flush sentence:

3 “This paragraph shall not apply to any taxable year
4 beginning after December 31, 2002.”

5 (2) EFFECTIVE DATE.—The amendment made
6 by this section shall apply to taxable years beginning
7 after December 31, 2002.

8 (b) REVENUE OFFSET.—The Secretary of the Treas-
9 ury shall transfer, for each fiscal year, from the general
10 fund in the Treasury to the Federal Hospital Insurance
11 Trust Fund established under section 1817 of the Social
12 Security Act (42 U.S.C. 1395i) an amount equal to the
13 decrease in revenues to the Treasury for such fiscal year
14 by reason of the amendment made by this section.

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